
STATUTORY INSTRUMENTS

2008 No. 346

The Regulated Covered Bonds Regulations 2008

PART 9

MISCELLANEOUS

Guidance

42.—(1) The Authority may give guidance consisting of such information and advice as it considers appropriate—

- (a) with respect to the operation of these Regulations;
- (b) with respect to any matters relating to functions of the Authority under these Regulations;
- (c) with respect to any other matters about which it appears to the Authority to be desirable to give information or advice.

[^{F1}(2) The Authority must give guidance consisting of—

- (a) information as to which government securities, credit institutions and currencies are specified for the purposes of the definition of “liquid assets” in regulation 1(2);
- (b) information and advice about the quality of an asset pool for the purposes of the requirement specified in regulation 17(2)(d) and the manner in which it will assess the issuer's and owner's compliance with that requirement;
- (c) information and advice about the contents of the annual report required for the purposes of regulation 17A(3)(b).]

(3) Guidance given under paragraph (2) must include information and advice on the factors which the Authority will take into account, such as—

- (a) fluctuations in the value of assets and the income from assets;
- (b) fluctuations in the value of interest and exchange rates;
- (c) geographical concentration and diversification of assets in the asset pool;
- (d) the risk of loss if a person fails to perform its obligations, or fails to perform them in a timely manner; and
- (e) counterparty credit risk, in particular, in relation to any interest rate, currency or other hedging instruments relating to the asset pool.

[^{F2}(4) Subject to paragraph (5) and the modification in paragraph (4A), if the Authority proposes to give guidance under this regulation to issuers or owners generally, or to a class of issuer or owner, subsections (1)(b), (2)(e) and (3) of section 138I of the Act (consultation by the FCA) apply to the proposed guidance as they apply to proposed rules made under the Act, unless the Authority considers that the delay in complying with them would be prejudicial to the interests of regulated covered bond holders.

(4A) For the purpose of paragraph (4) section 138I of the Act is to be treated as if in subsection (1) (b) “after doing so” were omitted.]

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Regulated Covered Bonds Regulations 2008. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

- (5) Paragraph (4) shall not apply to the first guidance given pursuant to paragraph (2).
- (6) The Authority may—
- (a) publish its guidance;
 - (b) offer copies of its published guidance for sale at a reasonable price; and
 - (c) if it gives guidance in response to a request made by any person, make a reasonable charge for that guidance.

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| <p>F1 Reg. 42(2) substituted (1.1.2013) by The Regulated Covered Bonds (Amendment) Regulations 2011 (S.I. 2011/2859), regs. 1, 2(15)</p> <p>F2 Reg. 42(4)(4A) substituted for reg. 42(4) (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), Sch. 2 para. 134(d)</p> |
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Changes and effects yet to be applied to :

- Regulations power to modify conferred by [2023 c. 29 s. 3Sch. 1 Pt. 2](#)
- Regulations revoked by [2023 c. 29 Sch. 1 Pt. 2](#)